

Members

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GOVERNMENT EFFICIENCY COMMISSION SUBCOMMITTEE ON HIGHER EDUCATION

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MEETING MINUTES¹

Meeting Date: December 18, 2003
Meeting Time: 10:00 A.M.
Meeting Place: 101 W Ohio St., Suite 550
Meeting City: Indianapolis, Indiana
Meeting Number: 3

I. Call to Order and Attendance. The meeting of the Higher Education Subcommittee was called to order by Chairman Tom Reilly at 10:00 a.m. in the offices of the Indiana Commission for Higher Education (101 West Ohio, Suite 550, Indianapolis).

In attendance were advisory directors Dr. August Watanabe, Dr. Ernest Bartell (Dr. Bartell via conference call), Mr. Tim McGinley, and Government Efficiency Commission Co-Chairman Jim Baker. Also in attendance were Commissioner for Higher Education Stan Jones, designated staff advisor to the subcommittee, and Dennis Jones and Patrick Kelly from the National Center for Higher Education Management Systems.

II. Presentation of Selected Data for Indiana Higher Education by Dennis Jones.

Mr. Dennis Jones presented data comparing Indiana's position relative to the rest of the United States in the following areas:

1. population projections;
2. income and poverty;
3. educational attainment;
4. the student pipeline;
5. import/export of college students;
6. postsecondary enrollment and degrees;
7. earnings by educational attainment;

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

8. employment by occupational category;
9. net migration into Indiana by education attainment and occupational classification;
10. "New Economy" and economic development measures; and
11. research funding.

III. Discussion.

Discussion during the presentation focused on regional differences in per capita income, who should be responsible for adult basic education, bottlenecks in the higher education pipeline, workforce migration, the quality of job opportunities available to recent college graduates in Indiana, research expenditures at Indiana universities, and Indiana's position in New Economy studies.

At the conclusion of the presentation, Chairman Reilly asked Mr. Jones if it was fair to conclude that Indiana's system of higher education is ineffective. Mr. Jones responded that, in general, the diversification and expansion of Indiana's economy is a much larger and broader issue than higher education's performance, but that there are structural issues of higher education that should be evaluated carefully.

Dr. Watanabe remarked that it appears that public higher education in Indiana needs more specialization; that too many institutions are trying to pursue too many activities.

Mr. Jones responded that associate degree programs are a good example of too many institutions being involved in the process without an adequate outcome. The state continues to lack a comprehensive community college system that attends to technical and liberal arts associate degrees.

Chairman Reilly reported on his conversations with four public university presidents relative to their perceptions of higher education in Indiana. These conversations will be continued in April.

The conversation turned to whether or not the Subcommittee should pursue incremental changes or more "radical" changes and what efficiency means in the context of the Government Efficiency Commission's overall charge. Chairman Reilly said that his assumption is that the Subcommittee should not advocate for additional funding; rather, it should find ways to improve performance by reallocating existing funds to achieve the desired results.

Mr. Jones suggested that efficiency should be defined systematically, not on an institution-by-institution basis, and that the Subcommittee may want to think in terms of no new *state* money, but not necessarily no new money at all. Tuition assumptions may need to be adjusted in light of conclusions the Subcommittee may reach.

Mr. McGinley questioned whether the Subcommittee would advocate additional tuition increases if it found that needs are not being met and cannot be met without additional revenue. Chairman Reilly mentioned that the governor of South Carolina is suggesting just such a policy for his state's public institutions.

Dr. Watanabe suggested that by looking at macro-level issues, some efficiencies could surely be found. The presence of an Indiana University campus next door to an Ivy Tech campus in Columbus was raised as one example of the idiosyncratic development of higher education in Indiana, and Chairman Reilly asked Mr. Dennis Jones if the regional campuses could perhaps play a role in a community college system.

Mr. McGinley suggested that the Subcommittee needed to generate some guidelines on what realistically could be proposed given the overall Government Efficiency Commission charge.

For example, could the Subcommittee suggest reallocation within the entire state budget?

Mr. Baker responded that overall allocation policies were probably beyond the scope of the Commission's charge. He suggested that assuming increases in funding following the growth rates of the Indiana economy and population would not be unreasonable, but the primary charge is to find ways to become more efficiency given the resources that are currently available.

Mr. McGinley reminded the Subcommittee that things are as they are because someone wanted them that way, and that the members would need to consider carefully whether incremental or radical proposals can be more successful.

The Subcommittee concluded its meeting by discussing with Mr. Jones the next steps in his study of public higher education in Indiana, focusing on the need for comparison with other states and colleges and universities.

III. Future Meetings.

Chairman Reilly laid out a schedule of tentative future meeting dates. Because two members of the Subcommittee were absent, definitive dates could not be selected. The tentative schedule is as follows:

- January 9: Presentation by Chairman Reilly to presidents and trustees at the Commission for Higher Education's Trustees Conference.
- Week of February 23: Higher Education Subcommittee meeting.
- March 12: Presentation of data by Mr. Jones at Commission for Higher Education regular monthly meeting.
- Latter half of April: Higher Education Subcommittee meetings with college and university presidents.
- Week of May 10: Higher Education Subcommittee meeting.
- Early July: Higher Education Subcommittee meeting.

V. Adjournment. The meeting adjourned at approximately 1:30 p.m.